

**Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket No. D.T.E. 02-24/25
Responses to the Attorney General's Seventh Set of Information Requests**

Request No. AG-7-59 (Electric)

Referring to pages 40, line 6-8 of Mr. Collin's prefiled testimony, please provide a complete and detailed description of the "average" used as a basis of comparison. Please also provide the "average" for each of the last five years.

Response:

The "average" salary increase in the market is an estimate that must be made each year based upon intelligence received from a variety of survey sources and publications, and an analysis performed by the Director of Human Resources. Each of these sources report what they believe to be the "average" pay increase for the upcoming year. Since all of these sources differ, no one source is used to determine what the average is (will be).

For example, we estimated that the average pay increase for 2002 would be between 3.4% and 3.8%. This was based on newsletters from the American Compensation Association, Mercer, Hay, Towers Perrin, and other stories and articles found in newspapers and magazines. Based on this data, we decided to budget 4.9% for Fitchburg salary increases in 2002 to continue making progress towards median base pay.

Person Responsible: Mark H. Collin